

AN ACT

relating to the appeal of rates charged for water or sewer service by certain retail public utilities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 13.043(j), Water Code, is amended to read as follows:

(j) In an appeal under this section, the utility commission shall ensure that every appealed rate is ~~made, demanded, or received by any retail public utility or by any two or more retail public utilities jointly shall be~~ just and reasonable. Rates shall not be unreasonably preferential, prejudicial, or discriminatory but shall be sufficient, equitable, and consistent in application to each class of customers. The utility commission shall use a methodology that preserves the financial integrity of the retail public utility. For agreements between municipalities the utility commission shall consider the terms of any wholesale water or sewer service agreement in an appellate rate proceeding.

SECTION 2. This Act takes effect September 1, 2021.

President of the Senate

Speaker of the House

I certify that H.B. No. 3689 was passed by the House on April 30, 2021, by the following vote: Yeas 129, Nays 12, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 3689 was passed by the Senate on May 19, 2021, by the following vote: Yeas 30, Nays 1.

Secretary of the Senate

APPROVED: _____

Date

Governor